



PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

DA 06-152

Released: January 25, 2006

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF TELSCAPE COMMUNICATIONS, INC. TO GP/T HOLDINGS, LLC

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-22

Comments Due: February 8, 2006

Reply Comments Due: February 15, 2006

On January 11, 2006, GP/T Holdings, LLC ("GP/T") and Telscape Communications, Inc. ("Telscape") (collectively "Applicants"), filed an application, pursuant to section 63.04 of the Commission's rules,¹ requesting authority to transfer control of Telscape to GP/T.²

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules. Immediately following the transaction: (1) GP/T and its affiliates will hold less than a 10% share of the interstate, interexchange market; and (2) GP/T and its affiliates will provide local exchange services or exchange access services (if at all) only in geographic areas served by a dominant local exchange carrier ("LEC") that is not a party to the transaction. With respect to section 63.03(b)(2)(i), none of the Applicants or their affiliates is dominant with respect to any U.S. domestic telecommunications service.³

Telscape, a Delaware corporation, is a non-dominant interexchange and competitive LEC operating in California and Nevada. Telscape provides intrastate, interstate, and international telephone service to residential customers. Telscape Holdings, Inc., a U.S. entity, wholly owns Telscape. The following U.S. entity holds a 10% or greater ownership in Telscape Holdings, Inc: TSG Capital III, L.P. (96%). The following U.S. entities hold a 10% or greater ownership interest in TSG Capital III, L.P.: Oregon Public Employee's Pension System, Oregon State Treasury (15%); State Board of Administration of Florida (19%); and Washington State

¹ 47 C.F.R. § 63.04; *see* 47 U.S.C. § 214.

² Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

³ 47 C.F.R. § 63.03(b)(2)(i).

Investment Board (15%). No other person holds a 10% or greater ownership interest in Telscape Holdings, Inc., TSG Capital III, L.P., or the above-mentioned pension funds.

GP/T, a California limited liability company, is an investment fund company that holds and manages investments. The following individuals, all U.S. citizens, own or control a 10% or greater equity or voting interest in GP/T: Nathan Johnson (16%); and Matthew Johnson (16%). No other individual or entity owns or controls a 10% or greater equity or voting interest in GP/T.

Applicants have entered into an agreement whereby GP/T will acquire, through a new investment entity that is being formed for the purposes of this transaction ("NewHoldCo"), approximately 68% of the issued and outstanding shares of stock of Telscape. The stock will be purchased from Telscape Holdings, Inc. ("Holdings"), which currently holds all of Telscape's stock. Under the stock purchase agreement, the purchase price will be paid in cash, as of the closing, subject to standard adjustments. Holdings will then distribute the cash payment to its shareholders. As part of the proposed transaction, certain existing minority shareholders in Holdings will re-acquire indirect equity interests in Telscape, which they will hold through NewHoldCo, and certain new investors will acquire indirect equity interests in Telscape, which they, likewise, will hold through NewHoldCo.⁴

Applicants state that the proposed transaction serves the public interest because: (1) Telscape will continue providing service to its customers, without change, and in accordance with all of its existing tariffs and contracts; and (2) this transaction will be completely transparent to Telscape's customers.

GENERAL INFORMATION

The transfer of assets identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of assets application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before February 8, 2006 and reply comments on or before February 14, 2006.**⁵ Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31st day after the date of this notice.⁶ Comments may be filed

⁴ Following the consummation of the proposed transaction, all direct ownership of Telscape will be held by NewHoldCo. The following persons will, indirectly through NewHoldCo, own a 10% or greater equity or voting interest in Telscape: GP/T, a U.S. investment company, (68%); Gemini Partners, Inc., a U.S. investment company, (18%); and Ruben Garcia, a U.S. citizen, (10%). The following individuals, each U.S. citizens, each hold 50% interests in, and share control of, Gemini Partners, Inc. and GP/T, and therefore under the Commission's rules, each of them is attributed with 100% of the interests held by those companies: Nathan Johnson (86%); and Mathew Johnson (86%). No other person or entity will own or control a 10% or greater direct or indirect ownership interest in Telscape.

⁵ See 47 C.F.R. § 63.03(a).

⁶ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal eRulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- **For ECFS filers,** if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

You may submit comments, identified by the above noted docket number, by any of the following methods:

- **Federal eRulemaking Portal:** <http://www.regulations.gov>. Follow the instructions for submitting comments.

- Federal Communications Commission's Web Site: <http://www.fcc.gov/cgb/ecfs/>. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; email: tracey.wilson-parker@fcc.gov;
- (3) Adam Kirschenbaum, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C211, Washington, D.C. 20554; e-mail: adam.kirschenbaum@fcc.gov;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Tracey Wilson-Parker at (202) 418-1394, or Adam Kirschenbaum at (202) 418-7280.

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